

TOP SECRET

ANNEX I

Summary of Report of Committee headed by Mr. Robert A. Lovett,
Assistant Secretary of War for Air, dated 3 November 1945.

The committee, after summarizing the witnesses which it heard and indicating that the report on certain other features should be supplemented by later studies on certain subsidiary aspects, traces the history of foreign intelligence work in this country. It comes to the conclusion as a general matter

a. that prior to the war there was no adequate foreign intelligence system, and intelligence techniques were not properly understood;

b. that there was lack of coordination in intelligence during the war;

c. that there is need of trained and experienced intelligence officers in both military services;

d. that there has been an undue amount of change in top personnel in both services;

e. that it is vital that there be created an organization and system in the United States adapted to future growth which will retain competent personnel now in the United States for the benefit of the country.

There were then the following comments on the establishment of a central intelligence organization:

The committee has unanimously reached the conclusion that this Government should establish as promptly as possible a National Intelligence Authority and a Central Intelligence Agency. The committee has considered a number of recommendations, received from various sources, as to the composition, functions and the location of such central organizations, including those contained in the report of the Director of the Office of Strategic Services and in the Joint Chiefs of Staff Study of September, 1945 (JCS 1181/5). The committee finds itself more nearly in agreement with the recommendations of the Joint Chiefs of Staff than with any of the other proposals that have been advanced. In setting forth below its own recommendations, it will therefore adopt in a substantial part the language of the Joint Chiefs of Staff memorandum, modified so as to accord with the committee's views in certain particulars.

The committee recommends the creation of a National Intelligence Authority composed of the Secretaries of State, War and Navy, and a Representative of the Joint Chiefs of Staff. When and if the National Defense Organization includes a Secretary or Under Secretary of Air, the Authority should be expanded by the addition of that individual. Provision should also be made for the addition of other members of the Authority upon the recommendation of the existing members, with the approval of the President.

The National Intelligence Authority should have complete authority to formulate policies which shall be binding upon the Central Intelligence Agency and all intelligence activities in other Government departments

and

This document has been approved for release through the HISTORICAL REVIEW PROGRAM of the Central Intelligence Agency.

Date 1/28/91

HRP 89-2

-2-

and agencies. The Authority should be charged with the responsibility for such overall intelligence-planning and development, and such coordination of all federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

There should also be created a Central Intelligence Agency headed by a Director who should be appointed or removed by the President on the recommendation of the National Intelligence Authority. The committee believes that in order to insure continuity the Director should be appointed for a long term of years, preferably not less than six. The Director of the Central Intelligence Agency should be responsible to the National Intelligence Authority and sit as a non-voting member thereof.

There should be created within the Central Intelligence Agency an Intelligence Board which should consist of the Assistant Chief of Staff, G-2, WDGS, the Assistant Chief of Air Staff-2 and the Director of Naval Intelligence, and the Chiefs of the principal civilian intelligence agencies having functions related to the national security as determined by the National Intelligence Authority. The functions of this board should be to assist the Director, who shall serve as its Chairman, in the carrying out of all of the activities and purposes of the Central Intelligence Agency and to facilitate coordination between the Central Intelligence Agency and the departments and agencies represented on the Board. The Director shall consult with and secure the opinion of the Board on all important questions which may arise in the course of the operations of the Central Intelligence Agency. In the event of a difference of opinion between the Director and members of the Intelligence Board, the decision of the Director shall be controlling, subject, however, to the right of any member of the Board to have the question submitted for final decision to the National Intelligence Authority. The Director should also consult with the Board before delivering any estimates and appreciations to the President or any member of the Cabinet, and if there shall be a difference of opinion among the Director and the members of the Board, in any such case the differing opinions should accompany the Director's report.

Except for its responsibility to the National Intelligence Authority, the Central Intelligence Agency should be independent. It should be supported by an independent budget, and its appropriations should be obtainable without public hearings.

Subject to the direction and control of the National Intelligence Authority, the Central Intelligence Agency should:

- a. Operate as the sole collection agency for all departments of the Government in the foreign espionage and counter-espionage fields.
- b. Perform for the benefit of departmental intelligence agencies such other intelligence services

services of common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

- c. Coordinate the activities of all intelligence agencies of the Government whose activities relate to the national security, and recommend to the National Intelligence Authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.
- d. Furnish to any Government department or agency, upon the request of its representative on the Intelligence Board, any intelligence material or evaluation, which, in the opinion of that member, is necessary for his department or agency, provided, however, that in the event that the Director believes it undesirable for any such material or evaluation to be so furnished, he may submit the matter to the Intelligence Board for decision or, in the event of disagreement within the Board, to the National Intelligence Authority.
- e. Accomplish the evaluation and synthesis of intelligence collected or assembled by it, and the appropriate dissemination within the Government and among the several departments of the resulting strategic and national policy intelligence.
- f. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct.

The Central Intelligence Agency should not conduct espionage activities within the United States. It should have no police or law enforcement functions either within or without the United States.

Subject to coordination by the Central Intelligence Agency, and to the limitations expressed above, the existing agencies of the Government should continue to collect, evaluate, synthesize, and disseminate departmental intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental intelligence as is required by the Central Intelligence Agency should be made freely available to it for synthesis. When approved by the National Intelligence Authority, the operation of the departmental intelligence agencies should be open to inspection by the Central Intelligence Agency in connection with its coordinating functions. In the interpretation of this paragraph the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on

military

-4-

military operations and national security.

Operating personnel, including specialists, should be furnished to the Central Intelligence Agency by the various departments and agencies engaged in intelligence activities. The Director of the Central Intelligence Agency should have the right, with the approval of the Intelligence Board, to call upon any such departments and agencies to furnish the Agency with personnel for advisory and functional positions.

The committee then proceeds to discuss the interim disposition of SSU and recommends certain further studies within the War Department while that Unit is in process of being reduced to a nucleus of a suitable foreign intelligence service.